

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 6, 2016

The Honorable Harry K. Brower, Jr.
Mayor of the North Slope Borough
North Slope Borough Energy Management
Nuiqsut Utilities Cooperative
P.O. Box 69
Barrow, Alaska 99723

CPF 5-2016-0019M

Dear Mayor Brower:

On July 11 through 15, 2016, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected the Nuiqsut Utility Cooperative's procedures for Operations and Maintenance and Emergency Plans in Nuiqsut, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found in NSB's plans or procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
...(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.
(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

The North Slope Borough's (NSB) Gas Operations and Maintenance (O&M) Manual and the Nuiqsut Gas Distribution System Pipeline-Specific Operating Manual (PSOM) did not include adequate procedures for conducting periodic odorant sampling required by §192.625(f). The PSOM indicates that "sniff testing" is done but does not specify how or where the tests are to be conducted. NSB must amend their procedures to specify how the periodic odorant sampling will

be done.

2. §192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

...(3) Prompt and effective response to a notice of each type of emergency, including the following:

...(ii) Fire located near or directly involving a pipeline facility.

The NSB's Emergency Plan (pages 183-191 of the O&M Manual) did not contain provisions to address a fire on the pipeline facility. NSB must revise their PSOM to include plans to address a fire at the Pressure Reducing Valve (PRV) station, where high-pressure gas is present and flammable odorant is stored nearby.

3. §192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

...(4) The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.

The NSB's Emergency Plan procedures specify the use of two-way radios; however, responders in Nuiqsut are not equipped with two-way radios. NSB must review and amend their Emergency Plan to reflect equipment and tools which available to emergency response personnel in Nuiqsut. The equipment specified in the Emergency Plan must be sufficient for a "prompt and effective response to a notice of each type of emergency," per §192.615(a)(3).

4. §192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

...(10) Beginning action under §192.617, if applicable, as soon after the end of the emergency as possible.

The NSB's Emergency Plan procedures did not include provisions to initiate an investigation following the emergency response. NSB must amend their Emergency Plan to specific procedures for beginning investigation of failures following an emergency.

5. §192.617 Investigation of failures.

Each operator shall establish procedures for analyzing accidents and failures, including the selection of samples of the failed facility or equipment for laboratory examination, where appropriate, for the purpose of determining the causes of the failure and minimizing the possibility of a recurrence.

The NSB did not establish written procedures to investigate and analyze failures. NSB must establish procedures to do so.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that NSB maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2016-0019M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 J. Gano (#153508)
PHP-500 D. Hassell (#153508)

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*